(c) whether target production between April 2007 and January 2008 has been achieved for the year 2007-08; and

(d) if not, the details thereof and the quantum of shortfall in production against target alongwith reasons therefor.

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) Yes, Sir. The projected estimate for production of crude oil during the year 2007-08 in the country was 37.69 Million Metric Tonnes (MMT) against the actual production on 33.98 MMT during the year 2006-07.

(c) and (d) No, Sir. The production of crude oil from April 2007 to January 2008 is less than the projected estimates for the same period. During the period April, 2007 to January, 2008 the shortfall in crude oil productions against pro-rated target was about 2.942 MMT. The reasons for shortfall in production are as follows:

1. Ageing and natural decline in some of oil fields.
2. Shortfall in ONGC's North-Gujarat field was due to evacuation constraints.
3. Increased incidences of bandhs, blockades, miscreants activities etc. in the installations of ONGC & OIL in Assam.
4. Less production due to maintenance of wells.
5. Increase in rate of water cut.
6. Shortfall in contribution from Exploratory drilling efforts.
7. Poor availability of offshore rigs resulting in less than envisaged side track well in Mumbai Offshore.
8. Consequential effects of unfortunate fire accident at Bombay High North (BHN). Platform in July, 2005 especially with respect to well fluid handing capacities in Mumbai High North. (MHN)
9. Less than envisaged gain from Improved Oil Recovery (IOR)/Enhanced Oil Recovery (EOR) schemes.
10. Decline in base production mainly in Assam Asset.

Translucent fibreglass cylinder

1973. SHRI AJAY MAROO:
SHRI B.K. HARIPRASAD:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether to check frequent consumer complaints of LPG Cylinders being delivered underweight, proposes to introduce translucent fibreglass LPG cylinders to enable the consumers to view the level of LPG inside when delivered;

(b) whether a Norwegian company has obtained clearance from the Chief Controller of Explosives to manufacture the cylinders in India; and

(c) whether the oil marketing companies in India will entertain similar offers from other

overseas manufacturers of LPG fibreglass cylinders conforming to the specifications setforth by the licencing authority in India?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (c) Government has conveyed "in principle" approval to the Public Sector Oil Marketing Companies (OMCs) for expanding the product line by way of introduction of composite cylinders for marketing domestic LPG, subject to there being no subsidy element in the LPG to be marketed through these composite cylinders. To start with, Indian Oil Corporation Limited (IOC) along with Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) intend to import some cylinders by floating global tender and do test marketing in selected cities. The composite cylinders are translucent and will show the level of LPG present in the cylinder.

OMCs have also reported that necessary approval of Chief Controller of Explosives (CCOE) has been obtained for use of composite cylinders for LPG. CCOE has also granted approval to M/s Ragasco AS, Norway for their composite cylinders.

Capital investment by M/s Reliance

1974. SHRI MOHAMMED AMIN:
SHRI TAPAN KUMAR SEN:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to REFER TO THE ANSWER OF UNSTARRED QUESTION No. 4385 given in Rajya Sabha on 15th May, 2007 and state:

(a) whether capital investment in KG D-6 basin by M/s. Reliance has been now increased beyond 10 billion dollar;

(b) if so, the reasons therefor and its impact on Government's revenue;

(c) whether production schedule has also been delayed; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) No proposal to enhance the capital expenditure for the approved development plan for D1 and D3 discoveries involving estimated expenditure of US $ 8.83 billion has been received. However, on 18th August, 2007, the operator has submitted a fresh Development plan for MA oil and gas discovery in the same block.

(b) As per the estimates submitted by the operator, the development plan for MA oil and gas discovery is expected to increase the Government revenues from earlier approved development plan of D-6 Block by approximately US$ 1.6 billion (discounted by 10%) from the revenue generated after recovery of contract costs on the basis of certain assumptions. However, these revenues are dependent upon variation in the projected parameters such as quantum of production, capital costs, operating costs, prevailing oil and gas prices etc.

(c) and (d) The commercial production from D-6 block is expected to begin in mid-2008.